

TINTIC UTAH METALS LLC
15988 SILVER PASS ROAD
P.O. BOX 51
EUREKA, UTAH 84628
435-433-6606

*Returned this
Contract 3/21/2001*

May 15, 2000

Mr. Tom Munson
Reclamation Specialist
Minerals Reclamation Program
Division of Oil Gas and Mining
1584 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

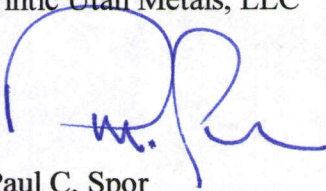
Re: Finalization of the Reclamation Contract, Tintic Utah Metals LLC, Burgin Mine,
(M/049/009), Utah County, Utah.

Dear Mr. Munson;

Enclosed please find the signed and notarized reclamation contract (MC-RC) for Tintic
Utah Metals LLC, Burgin Mine, (M/049/009), Utah County, Utah.

Thank you for your cooperation in getting the reclamation contract completed. If we can
answer any questions or provide further information, please feel free to contact me.

Sincerely,
Tintic Utah Metals, LLC



Paul C. Spor
Executive Director

Encl.: Reclamation Contract
Cc: Tom Gast

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MAY 17 2000

DIVISION OF
OIL, GAS AND MINING

FORM MR-RC
Revised January 18, 2000
RECLAMATION CONTRACT

File Number M/049/009
Effective Date VOID
Other Agency File Number VOID

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

*replaces 2/8/2000
Contract -
never finalized -
returned to operator
3/21/2001*
RECEIVED

RECLAMATION CONTRACT
---ooOoo---

DIVISION OF
OIL, GAS AND MINING

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/049/009
(Mineral Mined) Pb, Zn & Ag

"MINE LOCATION":
(Name of Mine) Burgin Mine
(Description) _____

"DISTURBED AREA":
(Disturbed Acres) 118.5
(Legal Description) (refer to Attachment "A")

"OPERATOR":
(Company or Name) TINTIC UTAH METALS LLC
(Address) 15988 Silver Pass Road
Eureka, Utah 84628

(Phone) 435-433-6606

"OPERATOR'S REGISTERED AGENT":

(Name)
(Address)

C T CORPORATION
50 West Broadway 8th Floor
Salt Lake City, UT 84101

(Phone)

(801) 364-5101

"OPERATOR'S OFFICER(S)":

Paul C. Spor, Executive Director

"SURETY":

(Form of Surety - Attachment B)

Surety Bond

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Frontier Insurance Co. #~~XXXXXX~~

"SURETY AMOUNT":

(Escalated Dollars)

\$350,000

"ESCALATION YEAR":

1997

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Tintic Utah Metals LLC the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/049/009 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

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MAY 17 2000

DIVISION OF
OIL, GAS AND MINING

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intention dated June 3, 1985, and the original Reclamation Plan dated June 3, 1985. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's

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MAY 17 2000

DIVISION OF
OIL, GAS AND MINING

request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

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MAY 17 2000

DIVISION OF
OIL, GAS AND MINING

OPERATOR:

Tintic Utah Metals LLC
Operator Name

By Paul C. Spor
Authorized Officer (Typed or Printed)

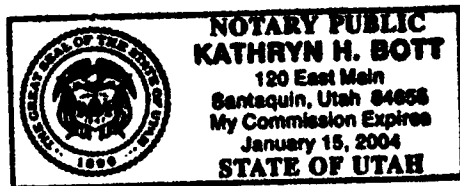
Executive Director
Authorized Officer Position

[Signature]
Officer's Signature

5/15/00
Date

STATE OF Utah)
COUNTY OF Utah) ss:

On the 15 day of May, 2000, personally
appeared before me Paul C Spor who being
by me duly sworn did say that he/she, the said Executive Director is
the Executive Director of Tintic Utah Metals LLC
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
Paul C Spor duly acknowledged to me that said company
executed the same.



Kathryn H Bott
Notary Public
Residing at: Santaquin, Utah

01-15-04
My Commission Expires:

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MAY 17 2000

DIVISION OF
OIL, GAS AND MINING

DIVISION OF OIL, GAS AND MINING:

By _____
Lowell P. Braxton, Director

_____ Date

STATE OF _____)
COUNTY OF _____) ss:

On the _____ day of _____, 20 _____,
personally appeared before me _____, who being
duly sworn did say that he/she, the said _____
is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources,
State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing
document by authority of law on behalf of the State of Utah.

Notary Public
Residing at: _____

My Commission Expires:

RECEIVED

JAN 20 2000

DIVISION OF
OIL, GAS AND MINING

Attachment "A"

Tintic Utah Metals LLC

Operator

M / 049/009

Permit Number

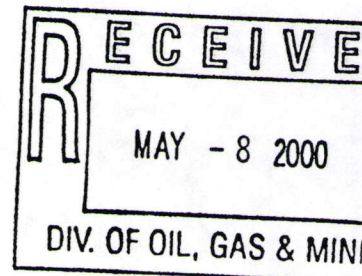
Burgin Mine

Mine Name

Utah County, Utah

The legal description of lands to be disturbed based on the 1985 Reclamation Contract is:

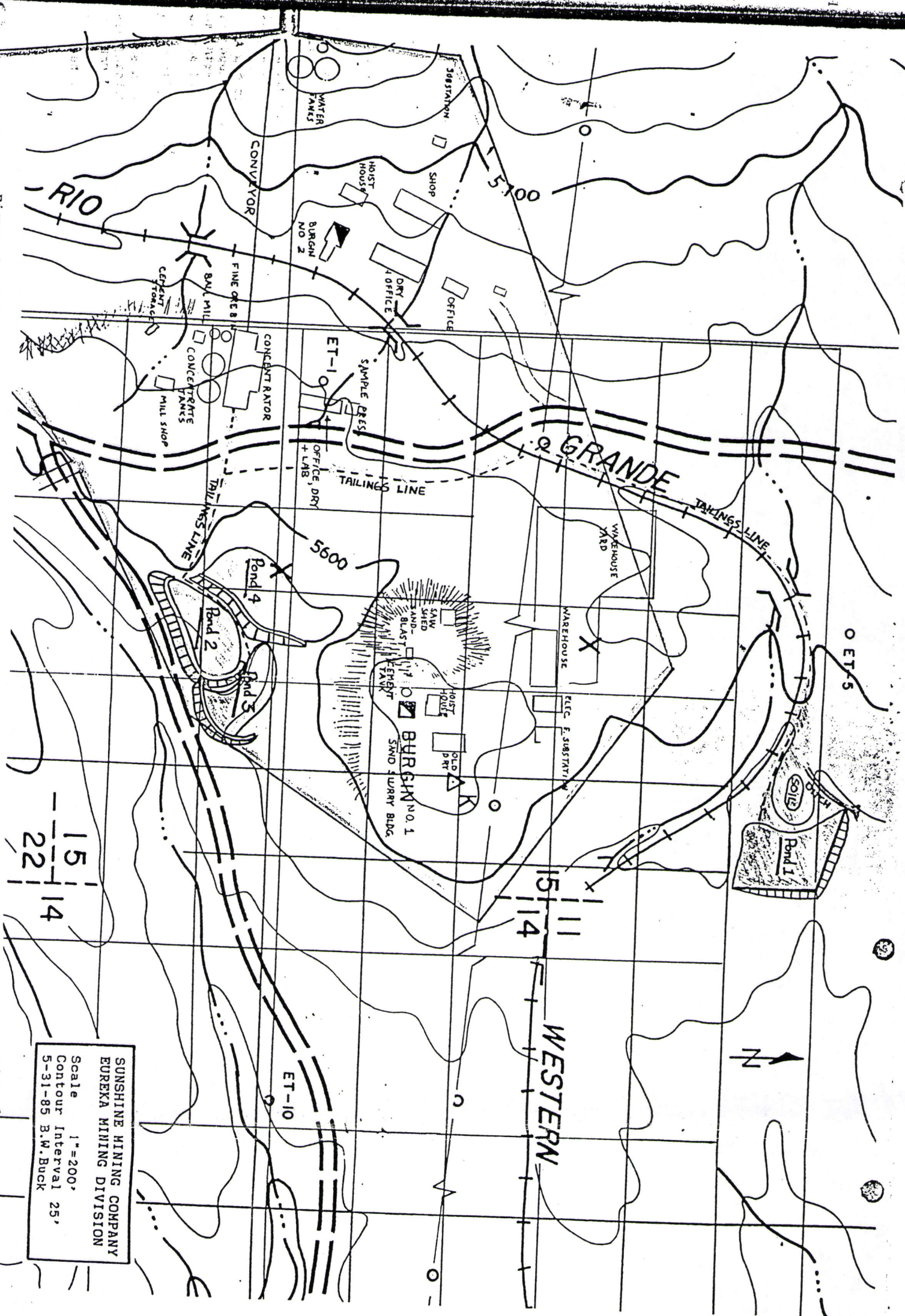
Facility	1/4	1/4	Sec.	T	R
Orig. Permit, 1986					
Apex No. 2	SE	NW	22	10S	2W
Hunter Shaft	SE	SW	15	10S	2W
Burgin Complex	SE	SE	15	10S	2W
Tailings Disposal	NW	NE	14	10S	2W
Settling Ponds		NE	18	10S	1W
Tot. 1986 Approval					
06/12/85 Approval					
Ponds 2,3 &4	SE	SE	15	10S	2W
12/8/1986 Approval					
Ponds A, B, C	NE	SE	15	10S	2W
12/9/1992 Approval					
Zuma Clay Pit	SE	NW	21	10S	2W



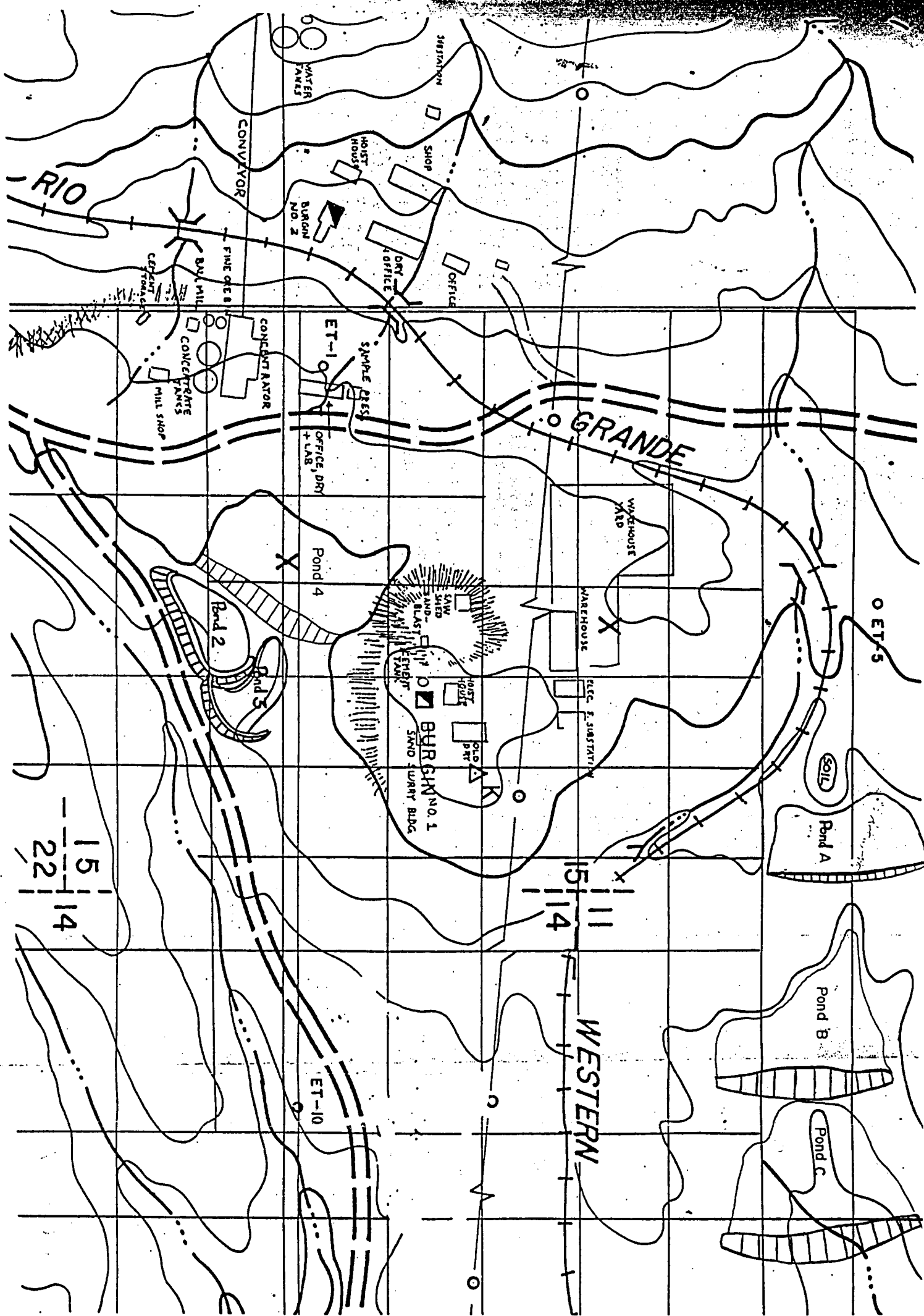
The acreage based on the 1985 Reclamation Contract is:

Facility	Permit ac.	Bonded Disturbance	Actual Disturbance	Reference
Original Permit, 1986				
Apex No. 2	2.8	2.8	2.8	2
Hunter Shaft	10.0	7.2	0.0	1
Burgin Complex	57.9	29.4	29.4	1
Tailings Disposal	41.4	28.7	0.0	1
Settling Ponds	180.0	36.1	0.0	1
Total 1986	292.10	104.2	32.2	
06/12/85 Approval				
Ponds 2,3 &4	2.2	2.2	2.2	3
12/8/1986 Approval				
Ponds A, B, C	28.7	10.1	0.0	4
12/9/1992 Approval				
Zuma Clay Pit	7.0	5.0	5.0	3
Totals	379.1	118.5	39.4	

DIVISION OF
OIL, GAS AND MINING



TRIXIE TAILINGS PONDS 1,2,3,4
APRIL 2, 1985 SUBMISSION



(ATTACHMENT TO SAC LETTER RECEIVED 1-30-86)


SOHEER'S WEST

P.O. BOX 50256 • HENDERSON, NEVADA 89016 702-263-9065

ATTACHMENT B

MR FORM 5

April 7, 1998

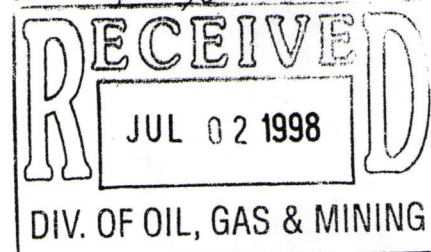
Bond Number _____

Permit Number _____

Mine Name _____

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned Tintic Utah Metals LLC, as Principal, and Frontier Insurance Company, as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) in the penal sum of ~~Three Hundred Fifty Thousand~~ dollars (\$ 350,000.00).

Principal has estimated in the Mining and Reclamation Plan approved by the Division on the _____ day of _____, 19____, that _____ acres of land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

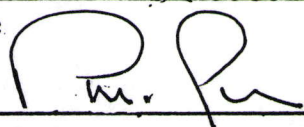
Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Tintic Utah Metals LLC
Principal (Permittee)

June 23, 1998
Date

Paul C. Spor
By (Name typed):


Executive Director
Title

Signature

Surety Company

Frontier Insurance Company
Company Officer

June 23, 1998
Date

Attorney In Fact
Title/Position


Signature Caroline L. Brown

Page 3
MR-5 (revised April 7, 1998)
Attachment B

Bond Number _____
Permit Number _____
Mine Name _____

SO AGREED this _____ day of _____, 19____.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

Lowell P. Braxton, Acting Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.


On the 23rd day of June, 1998, personally appeared before me Caroline L. Brown who being by me duly sworn did say that he/she, the said Caroline L. Brown is the Attorney In Fact of Frontier Insurance Company and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said Caroline L. Brown duly acknowledged to me that said company executed the same, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.

Signed: Caroline L. Brown
Surety Officer Caroline L. Brown

Title: Attorney in Fact

STATE OF Nevada)
) ss:
COUNTY OF Clark)

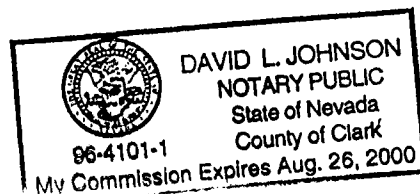
Subscribed and sworn to before me this 23rd day of June, 1998.

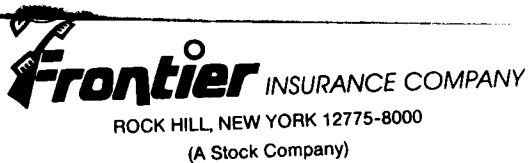


Notary Public
Residing at: Henderson Nevada

My Commission Expires:

8-26-2000 . 19





POWER OF ATTORNEY

Know All Men By These Presents: That FRONTIER INSURANCE COMPANY, a New York Corporation, having its principal office in Rock Hill, New York, pursuant to the following resolution, adopted by the Board of Directors of the Corporation on the 4th day of November, 1985:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof;

"RESOLVED, that any such Attorneys-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in

ACKNOWLEDGMENT OF CORPORATE SURETY

STATE OF Nevada)
County of Clark) ss

On this 23rd day of June, 19 98, before me

appeared Caroline L. Brown to me personally known, who being by me duly sworn, did say that he is the aforesaid officer or attorney in fact of the Frontier Insurance Company a corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by the aforesaid officer, by authority of its Board of Directors; and the aforesaid officer acknowledged said instrument to be the free act and deed of said corporation.

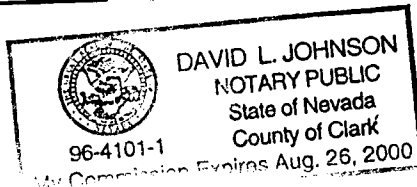
My Commission Expires

8-26-2000, 19

Clark

County, Nevada

CIC-C-230-BD(8/90)



Commission Expires May 2, 1998

CERTIFICATION

I, JOSEPH P. LOUGHLIN, Secretary of FRONTIER INSURANCE COMPANY of Rock Hill, New York, do hereby certify that the foregoing Resolution adopted by the Board of Directors of this Corporation and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolution and the Powers of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the facsimile seal of the corporation this 23rd day of June, 19 98



Joseph P. Loughlin